

parties and accommodation makers. A holder may not exercise his option to extend an instrument over the objection of a maker or acceptor or other party who in accordance with Section 3—604 tenders full payment when the instrument is due.

3—119. *Other Writings Affecting Instrument.*

(1) *As between the obligor and his immediate obligee or any transferee the terms of an instrument may be modified or affected by any other written agreement executed as a part of the same transaction, except that a holder in due course is not affected by any limitation of his rights arising out of the separate written agreement if he had no notice of the limitation when he took the instrument.*

(2) *A separate agreement does not affect the negotiability of an instrument.*

3—120. *Instruments "Payable Through" Bank.*

An instrument which states that it is "payable through" a bank or the like designates that bank as a collecting bank to make presentment but does not of itself authorize the bank to pay the instrument.

3—121. *Instruments Payable at Bank.*

A note or acceptance which states that it is payable at a bank is not of itself an order or authorization to the bank to pay it.

3—122. *Accrual of Cause of Action.*

(1) *A cause of action against a maker or an acceptor accrues*

(a) *in the case of a time instrument on the day after maturity;*

(b) *in the case of a demand instrument upon its date, or if no date is stated, on the date of issue.*

(2) *A cause of action against the obligor of a demand or time certificate of deposit accrues upon demand, but demand on a time certificate may not be made until on or after the date of maturity.*

(3) *A cause of action against a drawer of a draft or an indorser of any instrument accrues upon demand following dishonor of the instrument. Notice of dishonor is a demand.*

(4) *Unless an instrument provides otherwise, interest runs at the rate provided by law for a judgment.*

(a) *in the case of a maker, acceptor or other primary obligor of a demand instrument, from the date of demand;*

(b) *in all other cases from the date of accrual of the cause of action.*

Part 2

Transfer and Negotiation

3—201. *Transfer: Right to Indorsement.*

(1) *Transfer of an instrument vests in the transferee such rights as the transferor has therein, except that a transferee who has himself been a party to any fraud or illegality affecting the instru-*